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Report to the Economic and Social Council

Report of the Administrator

Summary

The present report is submitted in compliance with General Assembly resolution 56/201 on the Triennial Comprehensive Policy Review (TCPR).

Elements of a decision

The Executive Board may wish to take note of the report and decide to transmit it to the Economic and Social Council with the comments and guidance provided by delegations at the present session.

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I. Implementation of the reform programme of the Secretary-General and the provisions of the TCPR

A. Introduction

1. The present report is submitted in compliance with General Assembly resolution 56/201 on the TCPR. Given the transitional nature of the current reporting period – coming at the time of the preparation of the new TCPR resolution by the 59th session of the General Assembly – the Administrator takes the opportunity at this time to review developments over the past two years (2003-2004) with a particular focus on a number of key issues. In view of the comprehensive nature of the mandates provided by General Assembly resolution 56/201, and the recommendations of the Executive Board at its first regular session for 2003, the report adopts a more analytical perspective while also providing some reflections and recommendations for the future.

B. Operational activities for development in a globalizing world

2. Resolution 56/201 recognized the importance of technological change, and the integration of developing countries in the world economy in the context of globalization. Paragraph 11 and 13 of this resolution encouraged the United Nations system to support such efforts, most notably in the areas of trade and information and communication technologies (ICT). The following information outlines the UNDP contribution to the process.

3. Poverty reduction, human development and capacity development concerns continue to occupy centre stage in trade negotiations and trade policy at both the national and international level. In early December 2003, UNDP adopted a new two-pronged strategy for its engagement in the trade arena in the post-Cancun era. The strategy focuses on (a) helping developing countries prepare to get involved in the negotiations when they resume, especially in view of the complexity of many of the issues; and (b) enhancing developing country competitiveness and capacity building for trade through the removal of supply-side constraints.

4. The objective of the strategy will be to ensure that trade policies are linked to human development concerns and outcomes, while simultaneously strengthening developing country capacity for integrating trade policies into national anti-poverty strategies. Specifically, UNDP will seek through this strategy to address three capacity development needs of developing countries: (a) the capacity to compete internationally by overcoming institutional, human, and other supply-side bottlenecks; (b) the capacity to negotiate, interpret and implement trade agreements (multilateral, regional and bilateral) that prioritize poverty and human development concerns; and (c) the capacity to incorporate pro-poor trade policy in poverty reduction strategies.

5. The decision by UNDP to mainstream ICT into its other practice areas was implemented by bringing dedicated 'ICT for development' expertise into the poverty and governance practices. UNDP has refined its comparative advantage in these areas by focussing on ICT for the poor and e-governance. To that end, UNDP secured a $3-million contribution from the Government of Italy to support e-governance related programmes in Eastern Europe and the Arab States.

6. UNDP has also been working closely with the United Nations Department of Economic and Social Affairs (UNDESA) in support of the implementation of e-governance programmes at the country level. UNDP is partnering with major private sector information technology companies to promote ICT skills building and job creation. Following the World Summit on the Information Society in December 2003, UNDP was asked by the Secretary-General to chair the Task Force on Financing Mechanisms for ICT for Development.

C. Funding for operational activities for development

7. Member States contributing to UNDP have demonstrated their commitment to operational activities for development of the United Nations, and their support of the direction taken by UNDP, through an increase in both core and non-core contributions to the Programme. As a result, total UNDP resources reached $3.2 billion in 2003 – their highest level ever – up from $2.6 billion in 2001.

8. In 2003, regular resources increased for the third consecutive year, reaching $762 million in net income, up from $634 million in 2000. With the exception of a single donor, all donors members of the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) maintained or increased their core contributions in local currency terms in 2003.

9. The growth trend is expected to continue in 2004. Current estimates show that the regular income of UNDP will exceed $800 million, thus meeting the 2004 interim target set in the multi-year funding framework (MYFF) for 2004-2007. These encouraging trends are evidence of the growing political momentum in favour of a strong, adequately funded United Nations development pillar. For the first time in years, securing a solid and sustainable funding base for UNDP seems within reach.

10. Non-core resources are growing even faster. As aid mechanisms available within programme countries diversify and multiply, UNDP is increasingly being called upon to help governments access and manage different types of funding in support of national priorities. In 2003, third-party co-financing surpassed $1 billion for the first time, up from $683 million in 2001. Programme country cost sharing, channelled through UNDP by governments in support of their own development activities, remained stable at just over $1 billion in 2003.

D. Planning, programming and implementation

11. As 2003 represented the last year of the four-year business plans of the Administrator, UNDP has now embarked on consolidating its internal change processes. With a fundamental restructuring of the corporate foundation in place, the focus has shifted to tapping the full organizational capability of UNDP in advocacy, knowledge, partnerships and support for capacity development. UNDP has also been exploring new ways to adapt and extend its capabilities as events demand.

12. A crucial first step was the adoption of a new MYFF, issued by the Executive Board in 2003. For the period 2004–2007, the MYFF maps out ways to deepen the strategic alignment of UNDP programmes, practice areas and business processes. The framework draws on the proven demand for UNDP services from programme countries in 2000–2003, and defines how UNDP can most efficiently support

development that delivers results, particularly within the context of the Millennium Development Goals (MDGs).

13. To further promote simplification, UNDP streamlined its six practice areas to five, with 30 clear-cut service lines that structure activities under each practice and link directly to the MDGs. An integrated emphasis on gender mainstreaming runs throughout the framework. Two practices, poverty reduction and democratic governance, now subsume the work of the previous ICT for development practice, while the remaining three practices cover energy and environment, crisis prevention and recovery, and HIV/AIDS. The Board also agreed to expand the Bureau for Crisis Prevention and Recovery, reflecting the growing need for services in this area.

14. While the practice areas have sharpened the focus of the organization, they also underscore two other key components of the UNDP mandate, and development effectiveness in general: partnerships and capacity development. The MYFF defines how working together, within and outside the United Nations system, will be critical to achieving the MDGs. Many of these alliances will help countries build the capacity to absorb and sustain change, and to take charge of their own development agenda – a vision that has been integrated across all UNDP practices. Country offices and the recently formed Capacity Development Group are compiling knowledge resources that combine the latest intellectual research with UNDP experiences from the field. The group also identifies existing success stories from the practices, and assesses ways in which countries can learn from these to develop strategic, long-term capacity development plans.

15. UNDP has made further progress in promoting the use of knowledge within the organization and across the United Nations system. Knowledge networks have continued to grow and acquire valuable comparative experiences. Reviews from client countries remained highly favourable in terms of the networks' value as inputs into countries' decision-making processes for identifying solutions to development challenges. In April 2004, UNDP senior management endorsed the 'knowledge management roadmap', designed to enhance the value of UNDP as a knowledge organization, introducing incentives and tools to promote knowledge sharing and knowledge creation as a core feature of UNDP operations.

16. UNDP's knowledge work has extended to the United Nations system in support of reform programme of the Secretary General. In response to the report of the Secretary-General (A/58/351), UNDP has been working actively with the United Nations Development Group (UNDG) and has engaged in discussions with other United Nations agencies, funds and programmes to promote a common approach to knowledge networking so as to enable all participating organizations to share knowledge and expertise across the system. Furthermore, at the country level, UNDP has been promoting in-country networks – chaired by United Nations country team members and organized around different MDG targets – to promote better consultation and development of appropriate implementation strategies.

E. Capacity building

17. Building on the momentum created through the Reforming Technical Cooperation for Capacity Development (RTC) initiative, UNDP continued to promote the principles and lessons learned from the project, both internally and with external partners. The International Symposium on Capacity Development – held in Manila in January 2003 – was complemented by a follow-up meeting in Tokyo in February 2004. The Tokyo symposium was co-sponsored by the Japan International Cooperation Agency, the Canadian International Development Agency, the World Bank Institute, the German Agency for Technical Cooperation and UNDP. The government of Chile organized a follow-up seminar for Latin American countries. Recommendations advanced at the meeting called for the establishment of better networking opportunities on capacity development issues – as part of strengthened South-South cooperation – among countries in the region, as well as the expansion of such activities to other regions.

18. The recommendations of the Tokyo symposium have been tabled in various OECD/DAC subsidiary bodies. The governance network of the DAC agreed to sponsor a learning network on capacity development, which is being coordinated by UNDP. The aim is to prepare a policy and practices paper for presentation to the DAC, which is expected to be available at the Second High-Level Forum on Harmonization, to be hosted by France in March 2005. UNDP continued to promote capacity development in the work of the task team on harmonization and facilitated strategic UNDG engagement in DAC processes, complementing the United Nations system focus on similar internal reforms.

19. The Capacity Development Group, located in the UNDP Bureau for Development Policy, has adopted a seven-point strategy to mainstream capacity development throughout the organization, encompassing the revision of operational policies and procedures, the integration of the approach into learning programmes and results-based management systems, and the development of a toolbox of instruments and methodologies.

20. Through the Capacity 2015 initiative – a global partnership established in response to the call in the Johannesburg Plan of Action to focus on capacity development to enhance development effectiveness – UNDP has fielded policy advisors and programme specialists in seven UNDP regional centres and subregional resource facilities. Regional oversight committees are being set up along with regional and subregional information, learning and networking capacities. New initiatives in each region focusing on operationalizing the MDGs are under way.

F. Simplification and harmonization of rules and procedures

21. The UNDP reform process has been essential in aligning the organization with the complex needs of a rapidly globalizing world. The experiences of recent years have underscored not only the urgency of the MDGs, but also the importance of pushing forward the reform agenda of the Secretary-General for the United Nations, with its emphasis on harmonizing the efforts of different arms of the United Nations system. Harmonization falls naturally within the scope of the MDGs. Within the United Nations system, the goals call upon the strengths of an array of agencies, funds and programmes – emphasizing the need for organizations to integrate the

goals within common programming initiatives and make optimal use of expertise and resources. Particularly in countries struggling to manage multiple relationships with development partners, harmonization will prove a vital instrument for attaining the MDGs.

22. UNDP, as funder and manager of the resident coordinator system, has been one of the leaders of the harmonization process, which began several years ago with the introduction of common assessments and development planning frameworks. In 2003, the UNDG introduced a results-based system, which promotes direct links between country and United Nations development goals. At the same time, the United Nations system agreed on revised guidelines for joint programming; common approval, implementation and monitoring tools; principles for channeling funds in a common manner; and joint strategy meetings with national partners – all activities that had traditionally been carried out separately by the various organizations.

23. In 2004, the UNDG intensified its engagement in the OECD/DAC harmonization efforts as well as in the expanded and strengthened UNDG harmonization initiatives. The UNDG established a working group – chaired by UNDP – to coordinate contributions to the work of the OECD/DAC on harmonization. The group has prepared an action plan to highlight UNDG harmonization and reform efforts in the context of the DAC framework. It is also drafting a UNDG position paper on sector-wide approaches, and supporting United Nations country teams in the 14 OECD/DAC harmonization pilot countries to contribute to strategic follow-up to the Rome Declaration on Harmonization. In addition, the United Nations will co-sponsor the second High Level Forum on Harmonization, to be held in Paris in March 2005.

24. UNDP has significantly strengthened its contribution to the DAC harmonization efforts. The organization has systematically encouraged the implementation of the harmonization agenda in its partner countries, hosting, for example, a meeting on aid management tools in Burkina Faso. The meeting provided an opportunity for knowledge exchange to better empower countries to manage and coordinate aid. The organization also served as lead facilitator in Ethiopia, Nicaragua and Tanzania and played a leading role in supporting the joint country learning assessment in Nicaragua. In addition, UNDP funded the partner country meeting on harmonization, which resulted in a partner country statement on harmonization and will feed into the Paris meeting.

25. UNDP has joined with other UNDG organizations in increasing to 18 the number of countries using common country programming procedures centred on the UNDAF. The harmonized tools were supplemented with an on-line training package, and country teams have noted the usefulness of this package in explaining the common procedures. As 2004 was the first year to introduce the Country Programme Action Plan (CPAP) and Annual Work Plans (AWP) as programme implementation tools, UNDG has reviewed the experience to date through an independent evaluation. The review showed that linkages between national priorities and the UNDAF had been strengthened. While there had been an overall positive response to the introduction of the new tools, there were areas in which further enhancement was needed to ensure that implementation of country programmes advanced the outcomes stated in the UNDAF.

26. Following the review, guidance on the Common Country Assessment (CCA), the United Nations Development Assistance Framework (UNDAF) and the CPAP/AWP is being updated to incorporate findings and lessons learned. New guidance has also been provided on joint programming, reflecting inter-agency reviews of experience.

27. Financial management assessment guidelines are currently being finalized for rollout in 2005. The UNDG Executive Committee has agreed to use common procedures when transferring cash resources, reporting expenditures, and undertaking audits; harmonization of these procedures promises to significantly reduce transaction costs for United Nations partners. The adoption of a joint risk-management approach, for example, is expected to result in a significant reduction of the number of individual audits conducted with national partners.

G. The resident coordinator system

28. In response to the call in resolution 56/201 for improved country-level capacities of the United Nations system, the resident coordinator assessment centre was redesigned and upgraded. Changes reflected the need to better evaluate candidates for the increasingly complex role of United Nations resident coordinators in leading United Nations reform processes at the country office level and dealing with crisis and post-conflict situations. Management and leadership competencies for resident coordinator positions were aligned with evolving resident coordinator requirements. Gender and cultural considerations were taken into account throughout the redesign process.

29. From 2001 to October 2004, approximately 255 candidates – of whom 56% were from UNDP and 33% were women – passed through the resident coordinator assessment. About 50% of the candidates were from developing countries. For the first time ever, current and former resident coordinators have been required to successfully pass resident coordinator assessment in order to continue in their function. As of 1 November 2004, out of 131 resident coordinators, including designates, around 45 % are from developing countries, as compared with 42% in 2003. Over the same period, the percentage of women resident coordinators has increased from 24% to 26%.

30. Efforts need to continue in all the agencies, funds and programmes to put forward outstanding female candidates from developing countries for resident coordinator assessment and placement. To ensure greater diversity among resident coordinators, targets of 50% of candidates from developing countries and 40% women have been set for candidates nominated for resident coordinator appointment. These targets were met for the period April–November 2003. Around 26% of resident coordinators came from United Nations organizations other than UNDP. United Nations organizations accounted for 36% of the participants nominated for resident coordinators assessment.

31. Performance appraisal of resident coordinators remains a challenge, with limited feedback mechanisms available to date. Members of the United Nations System's Chief Executives Board for Coordination, for example, conduct annual appraisals of resident coordinators only on an exceptions basis. UNDGO reviews annual resident coordinator reports – complemented by other available information – to gather the primary evidence on resident coordinator performance. In addition,

the agencies, funds and programmes are encouraged to report back on performance issues as they arise.

32. There is currently no feedback mechanism for assessing contributions of individual organizations to the overall United Nations country team performance. To address this issue, UNDG Executive Committee members have agreed to include a section on country team performance in their annual staff appraisal tools. Nearly all Resident Coordinators have received 360-degree feedback to strengthen performance and accountability. In 2003, the 360-degree exercise was successfully used to enable first-time resident coordinators and resident representatives to identify gaps in managerial performance.

H. Gender policies

33. In the area of human resources, UNDP has redoubled its efforts to appropriately reflect gender commitments in staffing policies. The Office of Human Resources has finalized a corporate 'gender scorecard', setting a target of reaching a 50/50 gender balance at all levels of the organization by 2010. To ensure that progress remains steady and systematic, UNDP has piloted a computerized baseline data system. This will enable managers to monitor progress and make necessary adjustments in recruitment and staff assignments.

34. During 2004, UNDP strengthened the implementation of strategic, comprehensive initiatives in support of the empowerment of women and the promotion of gender equality. All practice areas have provided targeted support for the integration of gender dimensions into national policies, programmes and budget processes; the strengthening of capacities of national women's machineries and the strategic dissemination and use of sex-disaggregated data in policy dialogue and advocacy.

35. UNDP has made a strong commitment to gender mainstreaming through the designation of 'gender equality' as one of the drivers cutting across all services lines of the MYFF. The UNDP Operational Support Group is working with all the core practices to develop specific indicators for monitoring and assessing progress made under each service line.

36. In promoting gender equality as a cross-cutting driver, UNDP has succeeded in drawing increasingly on its own sources of gender expertise, including maximizing the role of UNIFEM as a catalyst of innovative, gender-related programming within the United Nations system. UNDP and UNIFEM are implementing a series of specific steps to ensure greater integration of programming, merging UNDP Regional Service Centres and UNIFEM regional offices to constitute regional hubs through which UNIFEM will have greater opportunities to innovate and mainstream lessons and best practices into UNDP and inter-agency programmes.

37. UNDP and UNIFEM are jointly analyzing progress and gaps in gender mainstreaming across all the UNDP core practice areas to provide an analytical basis for changes in the way gender mainstreaming strategies are implemented within the organization. The UNIFEM Executive Director has been asked to act as special adviser to the UNDP Administrator on gender equality issues. Complementing these specific initiatives, the UNDP Evaluation Office is currently engaged in a comprehensive review of UNDP work on gender mainstreaming.

I. Monitoring and evaluation

38. UNDP recognizes evaluation as serving two key functions, namely, improving the quality of policy and programming and verifying achievements against intended results. To ensure that evaluations remain strategic, continual improvements have been made to align the evaluation architecture to corporate goals, review and update methodologies and strengthen assessment capacities in UNDP and its partners. After two years of implementation, the architecture and its instrumentation are currently under review. The third Development Effectiveness Report successfully advanced the conceptual understanding of development effectiveness by identifying key drivers underpinning the MYFF 2004-2007. The utility of these drivers – capacity, ownership and policy – as a framework for assessment was successfully tested in the country evaluation for Nigeria in 2003 and is being further refined through the fourth Development Effectiveness Report.

39. The utility of strategic and thematic evaluations as effective instruments of corporate relevance has been demonstrated through the evaluations of UNDP support to the PRSP process and to national MDG reports. These evaluations provided a timely platform for debate on the coordinated monitoring of progress towards the MDGs and on PRSP performance, linking poverty monitoring more clearly with pro-poor policy reforms. Moreover, country evaluations, or assessments of development results (ADRs) have been used actively since their introduction in 2002. An initial review found that such evaluations provide a strong basis for determining whether UNDP is applying its comparative advantage optimally. The Evaluation Office is exploring how to expand annual ADR coverage as a means for validating UNDP results at the country level.

40. The Evaluation Office has worked closely with the UNDP Operations Support Group to ensure that evaluation remains responsive to the corporate planning framework of the MYFF. The sharing of evaluation and audit plans between the Evaluation Office and the Office of Audit and Performance Review has led to improved liaison on country assessments. In the case of Turkey, the ADR closely followed and built upon the audit process. The combined results provided a balanced assessment of internal performance and contribution to development effectiveness.

41. In 2004, the second Global Cooperation Framework of UNDP was evaluated comprehensively. The Executive Board discussed the evaluation and the UNDP management response in September 2004. Building on the findings and on feedback from informal consultations with the Executive Board and within UNDP, UNDP identified a number of key lessons to inform the development of the UNDP Global Programme 2005-2007.

42. Alignment with the evaluation policies and procedures of the UNDP-associated funds has been enhanced. The conference room paper developed by the UNIFEM and UNDP for the January session of the UNDP/UNFPA Executive Board (DP/2005/CRP.2), for example, proposes ways in which planning and self-assessment systems can be harmonized using the MYFF and the associated results-orientated annual reporting mechanisms.

43. UNDP has also been active as the chair of the United Nations Evaluation Group, which advances the collaboration of United Nations evaluation bodies. The United Nations Evaluation Group focussed on several core work areas in 2003, notably strengthening coordination in assessing the MDGs and standardizing evaluation practices at the operational level. A study of norms and standards conducted by the group, for example, found that over three-quarters of United Nations organizations had an explicit evaluation policy and over four-fifths had guidelines. The study also found that capacities and practices varied among United Nations system organizations. The challenge for the group will be to agree upon a common set of minimum standards drawn from these varying practices. The United Nations Evaluation Group also provided crucial support to the preparation of the TCPR by UNDESA. At its annual meeting in April 2004, the United Nations Evaluation Group defined its strategic priorities for the coming year, namely, to continue its work on norms and standards, strengthen evaluation capacity development and further advance United Nations reform and harmonization.

44. As 2015 draws closer, demands for credible evidence of progress towards the MDGs will increase. The challenge is multifaceted, since evaluation seeks to provide a basis for the accountability of the provider to the client and the implementer to the donor, as well as to improve development practice through governance structures that facilitate learning. UNDP and its associated funds and programmes bear a responsibility as organizations with a mandate to bridge governments, civil society groups, the private sector and bilateral and multilateral funding bodies. The overarching challenge will be that of opening their evaluation processes up to incorporate the broader accountability and governance dimensions, while at the same time providing a firm foundation upon which UNDP can retain its independence and value.

J. Transition, crisis prevention and recovery

45. Drawing heavily on its work in areas such as support for democratic governance and poverty reduction, UNDP has continued to build upon its well-established track record in building, consolidating, and preserving peace. UNDP has played a major role in helping countries make the transition to a development-oriented agenda by promoting the rule of law and good governance; justice and security; demobilizing soldiers; reducing the flow of small arms; supporting mine action; and providing war-affected populations with alternative livelihoods. In responding to natural disasters, UNDP has worked to pick up where humanitarian relief leaves off and put early recovery initiatives in place. UNDP has also strengthened its efforts to mainstream crisis prevention perspectives into its development work through policy dialogue, staff training and knowledge networking.

46. The management of crisis recovery processes has been a persistent challenge for the international community as gaps have repeatedly emerged between emergency relief and sustainable development efforts. UNDP seeks to meet this challenge through its Transition Recovery Programme, which focuses on restoring the capacity of governments and communities to rebuild and recover from crisis, thus preventing lapses back into crisis. It seeks both to catalyze sustainable development activities and to build upon earlier international and local efforts.

47. In Afghanistan, UNDP has continued to play an important supportive role in a number of areas key to the implementation of the national development framework. Supporting stronger governance structures, UNDP provided assistance to the Government to hold the Loya Jirga, which approved a new constitution for the country. UNDP provided support to the constitutional, judicial, civil service and human rights commissions, among others. In close cooperation with the United Nations Assistance Mission in Afghanistan (UNAMA), UNDP assisted in the voter registration of approximately 12 million Afghans, 41% of whom were women. In preparation for the presidential elections, UNDP provided support – jointly with UNAMA – to the Joint Electoral Management Board. The assistance focussed on resource mobilization, donor coordination, election management, voter information and civic education, as well as media monitoring. UNDP provided assistance in rehabilitating of rural infrastructures and constructing public facilities in 23 provinces, benefiting approximately 228,000 people in the communities. In addition, the Disarmament, Demobilization and Reintegration (DDR) Programme helped to disarm more than 21,000 ex-combatants, who will be gradually reintegrated into their communities. The Law and Order Trust Fund, administered by UNDP, enabled the payment of police salaries and equipment throughout the year. UNDP also provided training and advocacy course in gender rights to the Ministry of Women's Affairs and 11 other ministries.

48. In Iraq, the cluster approach facilitated integrated planning and coordinated resource allocation. It was supported by an innovative fund facility established jointly by the United Nations and the World Bank and designed to build on the respective strengths of each organization. For the first time in a post-conflict environment, donors were able to finance activities administered by all United Nations organizations through a single channel provided by UNDP acting as administrative agent. The first year of operation of the facility has shown positive results for the United Nations in terms of disbursement rates and coordination. Similar approaches are being considered in other post-conflict countries such as Somalia and Sudan.

49. UNDP has continued its work to strengthen the Consolidated Appeal Process (CAP) by, for example, preparing a guidance note for UNDP country offices and training United Nations country teams on CAP development. However, funding for recovery activities in the CAP have in many case gone unmet, as donors have been reluctant to support reconstruction and recovery planning during the emergency phase. The United Nations system needs to better engage bilateral development agencies to fund early recovery and transitional programming, while donors need to support United Nations engagement with the development-focused branches of government.

50. Conflict prevention and peace building continued to be a UNDP priority area. UNDP assisted countries in strengthening governance institutions key to the prevention of conflicts and their underlying causes. In Kyrgyzstan, UNDP collaborated with the Government on an innovative programme to prevent ethnic strife. Beyond strengthening the foundation of participatory local government, the pilot project established an early warning information system. Community organizations, many with multi-ethnic members, were trained to work with local government on managing conflict. Micro capital grants brought communities together for development planning, with tensions being defused as people collectively constructed irrigation systems and schools. The initiative has been

expanded across three provinces, and involves cross-border activities with Tajikistan and Uzbekistan.

51. UNDP has continued to support programmes to reduce the proliferation of small arms, together with overall disarmament and demobilization initiatives. In Côte d'Ivoire, soon after the signing of the Marcoussis Peace Agreement, UNDP began working with the Government of National Reconciliation on a disarmament, demobilization and reintegration strategy. The timely intervention by UNDP and the initial seed funding it provided attracted wider support from bilateral donors, who have since contributed nearly $10 million towards a series of major demobilization projects. Overall, UNDP – through its Thematic Trust Fund for Crisis Prevention and Recovery –supported the collection and destruction of 123,730 weapons and 170 tons of ammunition in 2003, including one million small arms cartridges.

52. The impact of natural disasters and their contribution to poverty have been severely underestimated. To improve the global understanding of the relationship between development and disaster risk, UNDP published a Global Disaster Risk Index, which measures the relative vulnerability of countries to three key natural hazards – earthquakes, tropical cyclones and floods – and identifies development factors that contribute to increased risk levels. The UNDP report *Reducing Disaster Risk: A Challenge for Development,* launched in 2004, allowed for comparison across countries and demonstrated how countries with similar levels of exposure to natural hazards often experienced widely differing impacts. The report, which was launched in over 20 countries as an advocacy tool to increase awareness of the extent to which development processes can shape disaster risk both positively and negatively, proposes strategies for minimizing the effects of disaster by making appropriate policy choices.

53. Collaboration and joint programming for disaster reduction were been strengthened during 2003 among UNDP, the United Nations Office for the Coordination of Humanitarian Affairs and the International Strategy for Disaster Reduction (ISDR) secretariat. A self-assessment exercise was conducted to define clearly United Nations system operational roles and responsibilities for more effective disaster reduction efforts. The exercise resulted in several interagency activities at the country level, including a collaborative effort to reduce volcanic risk in the Democratic Republic of Congo and the El Niño initiative for Ecuador and Peru.

54. In support of preparations for the World Conference on Disaster Reduction in 2005, UNDP is working closely with the ISDR secretariat. During 2003, the two organizations co- hosted two Hemispheric Congresses on Early Warning in Africa and Latin America and the Mitch +5 Forum in Latin America. In addition, UNDP has been providing support to selected countries for the preparation of national reports.

55. The mobilization of adequate funding for capacity-building initiatives in disaster reduction and recovery continues to be a challenge. Programmes in this area receive much lower levels of resources from the donor community than initiatives targeted at humanitarian response and conflict situations. The important role disaster reduction efforts can play as a solid investment towards saving lives and reducing loss will need to be increasingly promoted in the future.

II. Integrated follow-up to United Nations conferences and summits: the Millennium Development Goals

56. In collaboration with the United Nations system, UNDP is focussing its activities on the crucial five-year review of the implementation of the Millennium Declaration. The process leading to the high-level summit and the summit itself provide a strategic opportunity to advance commitments and practical action towards meeting the MDGs by 2015. UNDP is working to build national, regional and global political momentum to prepare action plans and build capacity to scale up programmes and put in place specific commitments for action. UNDP is also assisting governments, United Nations country teams, national experts and other partners in aligning national poverty-reduction strategies with longer-term, needs-based strategies for achieving the MDGs.

57. The Millennium Project completed most of its research in 2004. It posted its draft *Global Plan to Achieve the Millennium Development Goals,* together with background research, on its website for public comment in September 2004. The Millennium Project will present the final Global Plan to the United Nations Secretary-General in mid-January 2005. The Millennium Project Director, task force leaders and secretariat held numerous consultations throughout 2004 to seek inputs and ideas. Concurrently, the Millennium Project deepened its support to countries. In 2004, it initiated country-level advisory work in eight pilot countries, namely Cambodia, the Dominican Republic, Ethiopia, Ghana, Kenya, Senegal, Tajikistan and Yemen.

58. As of the end of September 2004, 84 MDG country reports have been produced. Six countries have produced their second reports. Vietnam – the only country to do so – has released its third consecutive annual report. Three regional reports on the MDGs, in the Arab States, the Caribbean and Central Europe, were released in 2004, bringing the total number of regional reports to six. Reporting on Goal 8 ("Develop a global partnership for development") continues to gain interest. Denmark released a first report in 2003 (and a second one in 2004) followed by Finland, the Netherlands, Norway and Sweden, in 2004. Belgium, Canada, Germany and the United Kingdom have also stated that they will prepare reports. Several developing nations have begun to report on Goal 8 from their own perspectives in their country MDG Reports.

59. Concurrently, the UNDG, with UNDP coordinating, launched a project on 'Building Capacity and Statistical Literacy for MDG Monitoring at Country Level' to build national capacity for monitoring the MDGs and to improve the use of evidence-based methodologies for the management of development policy. The project began in three pilot countries in Sub-Saharan Africa, in coordination with the rollout of 'DevInfo', a software package endorsed and developed with the UNDG, and will be expanding to 30 countries around the world in 2005. A workshop in July 2004 enabled United Nations organizations to contribute to the content and design of training materials. Training programmes were piloted in East Africa in September with 36 trainers, who will go on to train others from Kenya, Tanzania, Uganda, and Zanzibar.

60. The Millennium Campaign continued to expand its assistance to national campaigns drawing on dialogue with its target constituencies: civil society organizations (CSOs), members of parliaments, and international organizations,

particularly OECD/DAC and the World Trade Organization. The Campaign held regional and national consultations with CSOs in Africa, the Arab States, Asia and Latin America to initiate a wider participatory process involving additional stakeholders. Through these consultations, the Millennium Campaign identified priority countries and CSO partners to facilitate campaigning in each region and sub-region.

61. The Millennium Campaign continues to focus its support on advocacy on Goal 8 issues. It is working with global organizations including the World Alliance for Citizen Participation (CIVICUS) and Oxfam to mobilize groups around events in 2005. A new coalition, the Global Call to Action Against Poverty, aims to motivate and mobilize people in at least 50-60 countries. An early result of this effort was seen when 1,500 non-governmental organizations issued a statement before the June 2004 G-8 meeting urging action on the MDGs.

62. The Millennium Campaign is working closely with the United Nations Communications Group on a joint strategy for 2005 to leverage the communications infrastructure of the United Nations system. The Millennium Campaign continues its outreach through media partnerships with the BBC; the EFE news service, covering Spain and Latin America; Africa.Com; and Inter-Press Service News Agency.

III. Conclusions: lessons learned and future challenges

63. In September 2005, heads of state and government will meet to review the first five years of progress made towards achieving the objectives and targets laid out in the Millennium Declaration and the MDGs. It is clear that decisive changes need to be made to mobilize the political will, resources and policy reforms required to dramatically accelerate the pace of global development in order to meet the MDGs by 2015. UNDP is committed to playing its part in improving the effectiveness of United Nations system operational activities at the country level. While the organization has achieved significant progress after a number of years of reform, critical challenges remain, both in terms of its working practices and its strategic collaboration with partners.

64. As this report was being prepared, Member States were actively discussing the TCPR resolution. Issues such as the reform of operational activities for development featured prominently in this discussion, and will continue to be discussed as preparations for the 2005 event proceed. Based on the contents of this report and of those discussions, member states may wish to consider the following elements:

(a) Radical simplification of the programme procedures and cycles of the United Nations system needs to be further advanced to keep up with best donor and national practice. Building on its innovative partnership arrangements with the United Nations Industrial Development Organization and UN-HABITAT, UNDP will continue to assist interested agencies to obtain the field influence required to carry out their specific mandates and to pursue this strategy in a cost-effective way that supports the overall objective of a more rationalized and coherent United Nations country presence.

(b) Leadership of the United Nations system needs to be further strengthened at the country level. While UNDP supports and manages the

resident coordinator system, all members of the United Nations country team need to feel full ownership of the system. UNDP will work with its partners to strengthen the effectiveness of the system. In many of the larger countries, or those facing particularly complex challenges, UNDP will continue to develop a UNDP country director function in order to allow the resident coordinator/resident representative to concentrate on his or her increasingly complex resident coordinator responsibilities.

(c) The management of crisis recovery processes is a persistent challenge for UNDP as gaps have repeatedly emerged between emergency relief and sustainable development efforts. In addition, the mobilization of adequate funding for capacity building initiatives in disaster reduction and recovery continues to pose difficulties. UNDP will continue its efforts to raise awareness of the important role disaster reduction efforts can play as a solid investment towards saving lives and reducing loss.

(d) While UNDP is committed to ensuring that gender equality and the empowerment of women constitute key drivers across all corporate service lines, the organization recognizes that a more vigorous, coherent and concerted effort will be necessary to become exemplary not only in aspiration, but also in practice. The 10-year review of the Beijing Platform of Action and the five-year review of the Millennium Declaration – both scheduled for 2005 – increase the urgency for UNDP to demonstrate its commitment to gender equality by strengthening its efforts to systematically integrate gender dimensions into its programming and continuing to promote a 50/50 gender balance in staff positions at all levels of the organization by 2010.

(e) As 2015 approaches, evaluation in UNDP and its associated funds and programmes will focus on enhancing the culture of assessment and the use of evaluative evidence for decision making so as to improve performance and make the greatest possible contribution to development effectiveness.